

Comptroller's Directive 2-08

Attachment HE-10

Financial Statement Template

Purpose

To obtain financial statement and footnote information from each higher education institution (HEI*) including blended component units of the HEI. This attachment has a financial statement template (FST) and footnote/informational tabs. It also has a Combining FST and footnote/informational tabs for foundation** information. This is similar to prior year Attachment HE-10.

***HEI** referred to in this attachment is defined as the higher education institution and any blended component units.

****Foundation** referred to in this attachment is defined as a foundation/entity that is a discrete component unit of the HEI as required by GASBS No. 39.

Applicable institutions

All institutions **must** complete this attachment.

Note: The following tabs must be completed by all HEIs: FST, Checklist, TAB 6, TAB 7, TAB 8, and the Certification tab. The following tabs must be completed by all HEIs that have foundation(s): Combining FST, TAB F6, and TAB F7. The remaining tabs must be completed if the HEI or the foundation(s) have amounts reported on certain line items and/or certain conditions exist.

Due date

Various*

Note*: There are staggered due dates for this submission based on the number of foundations reported on the prior year's submission of this attachment. The staggered due dates are as follows:

Staggered due dates	# of foundations	HEI acronyms
September 25	0-1	GMU, IALR, ITA, JMU, NCI, RU, RHEA, SVHEC, SWVHEC
September 29	2 - 4	CNU, LU, UMW, NSU, ODU, VMI, VPI&SU, VSU
October 1	5 or more	CWM, UVA, VCU, VCCS

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Certification

The **Certification** tab requires all preparers and reviewers to type their name on this form. Please note that there should be a segregation of duties; therefore, the preparer and the reviewer should not be the same individual for any tab. By typing a name, the individual is certifying that all tabs of this attachment have been reviewed; the information is both complete and accurate; and the preparer and reviewer were not the same individual for any tab.

**New tabs –
fluctuation
analysis &
reconciliation**

Two new tabs have been added to provide fluctuation analysis explanations. Eight new tabs have been added to document the reconciliation between the HEI's individually published financial statements and the template (formerly the Attachment HE-11, Reconciliation).

SAS 112

Statement on Auditing Standards No. 112, *Communicating Internal Control Related Matters Identified in an Audit* (SAS 112), states that the identification by the auditors of a material misstatement is an indicator of a control deficiency that should be regarded as at least a significant deficiency and a strong indicator of a material weakness in internal control. This includes misstatements involving estimation and judgments. Institutions and foundations must ensure controls are in place to avoid material misstatements and/or misclassifications on the Attachment HE-10, Financial Statement Template.

Any foundation included in the CAFR must also meet the reporting requirements outlined in the directive. The HEI is responsible for ensuring the foundations are both aware of and comply with the reporting requirements. As stated in the appendix to SAS 112, one example of a potential material weakness is the failure to obtain timely and accurate consolidating information required for financial statement reporting.

**Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template**

**Submission
requirements**

Contact DOA if the institution has any problems with the files.

After downloading the Excel file, rename the file using the institution's acronym followed by -FST. For example, VCCS would save the file as VCCS-FST.xls. This file includes the following tabs: FST, Combining FST, Elimination Entries to FST, Checklist, twenty footnote/informational tabs, two flux tabs, eight reconciliation tabs, and the Certification tab.

Submit the Excel file electronically to finrept-HE@doa.virginia.gov.

Copy APA via e-mail to APAFinRept@apa.virginia.gov.

Do not submit paper copies of this spreadsheet.

A **new** submission requirement per the Comptroller's Directive 2-08 is to also submit a copy of the HEI's Statement of Net Assets (SNA) and Statement of Revenues, Expenses, and Changes in Net Assets (SRECNA) that were used to prepare the reconciliation tabs. This should be submitted electronically in a Word, Excel, or pdf file to Finrept-HE@doa.virginia.gov or a hard copy should be faxed to DOA at (804) 225-2430 with the subject line having the institution's acronym followed by SNA & SRECNA. For example, VCCS would have the following subject line: VCCS – SNA & SRECNA.

**No revision
control log**

For Attachments HE-3 to HE-9, the revision control log is used to document changes between the first attachment submission and the final attachment submission. HEIs are required to submit only one complete and accurate Attachment HE-10, Financial Statement Template, which includes the fluctuation analysis explanations and reconciliation, by the September 25th due date. Therefore, a revision control log is not included in this attachment.

Comptroller's Directive 2-08 Attachment HE-10 Financial Statement Template

Errors discovered after submission

HEIs must ensure that all efforts have been made to submit a complete and accurate template. However, if the HEI discovers an unexpected error in the attachment after the submission, the Fiscal Officer must send an e-mail with the subject line “**Error discovered after HEI template submission**” to: Sharon Lawrence, Director of Financial Reporting, at Sharon.Lawrence@doa.virginia.gov and copy: Doug Page, Assistant Director of Financial Reporting, at Doug.Page@doa.virginia.gov, and Christy Tuck, Senior Lead Financial Reporting Analyst, at Christy.Tuck@doa.virginia.gov, and with the following information:

- Description of the error
- Dollar amount of the error
- Correcting AJE to the FST, Combining FST, and/or Elimination Entries to FST tabs
- Correcting entries to any other footnote/informational tabs
- Cause of the error
- Reason why the error was not discovered prior to the submission

In addition to sending this e-mail, call Sharon Lawrence (804) 225-2414, Doug Page at (804) 225-3136, or Christy Tuck at (804) 225-3180 to verify they received the e-mail and discuss the reporting error. DOA will determine what additional information may be needed.

Financial & administrative management standards

The *Code of Virginia, §2.2-5004 A3*, identifies “substantial compliance with all financial reporting standards approved by the State Comptroller” as an integral part of the financial and administrative management standards. **DOA will evaluate both the timeliness and accuracy of the financial statement directive submissions to help determine whether the higher education institutions have complied with this management standard.**

Prior to FY 2007, DOA found significant errors in the financial statement template and has either made manual adjustments to correct the submission or required the HEI to submit a corrected attachment. **DOA should not be part of the HEI's internal controls for discovering reporting errors.** For FY 2008, if any errors are brought to DOA's attention by the HEI after the September submission **and/or** if DOA finds errors in the financial statement template submission, DOA will evaluate whether or not the HEI is in substantial compliance with the financial reporting standards.

**Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template**

**Additional
guidance**

See the **Financial Statement Template Preparation for Higher Education Institutions, Additional Guidelines for Preparation of the Financial Statement Template**, and **Combining Financial Statement Template Preparation for Foundation(s)** sections in the Office of the Comptroller's Directive 2-08 for additional guidance in completing this attachment.

Summary of Attachment Changes

**New FST line
items – HEI &
foundations**

The following new liability line items have been added to the FST, Combining FST, and Elimination Entries to FST tabs:

1. Claims Payable – Due Within One Year
2. Claims Payable – Due in More Than One Year
3. Long-Term Liabilities – Other Postemployment Benefits *

The first two line items have been added because some institutions may have self-insurance programs.

The third line item was added because of the implementation of GASBS No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (OPEBs). See the new section titled **New GASB statements - GASBS No. 45 & GASBS No. 48**.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Summary of Attachment Changes, *continued*

**Row numbers
for FST line
items**

The **row numbers for certain FST line items have changed** because of the new line items previously discussed. If the row number of the FST line items is important to the conversion of the individually published financial statements to the template line items, you may need to review the FST to see if these changes affect the conversion of this information.

**Fluctuation
analysis –
scopes &
2 new tabs**

The **FST** tab has been revised to identify what fluctuations must be explained. Explanations are required for the following fluctuations:

Increases or decreases greater than 10% and \$2,220,000

or

Increases or decreases greater than \$7,400,000

The former “Notes” columns are now “Is an explanation required?” columns. After selecting the institution’s acronym and entering the current year amounts on the FST and Combining FST, the “Is an explanation required?” columns will display a “yes” for the fluctuations that must be explained.

Explanations can be provided on the **two new tabs: HEI Flux and Foundation Flux**. On the new tabs, use the filter function to select “yes” and the fluctuations that must be explained will appear. If the space provided for the explanation is not sufficient, explanations can be provided in a separate word document. The word document must include the following: FST line item, \$ fluctuation, % fluctuation, and explanation.

Note: During DOA’s review of the attachment, additional fluctuations may require an explanation. The institution will be contacted if additional explanations are needed and/or if the explanations provided were not sufficient or do not seem reasonable.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Summary of Attachment Changes, *continued*

Reconciliation – The following eight reconciliation tabs have been added:
8 new tabs

HEI-Assets	Foundations-Assets
HEI-Liabilities	Foundations-Liabilities
HEI-Net Assets	Foundations-Net Assets
HEI-Rev, Exp, and Chgs	Foundations-Rev, Exp, and Chgs

These new tabs were previously in the Attachment HE-11, Reconciliation. Each tab is set up with column headers representing financial statement template (FST) line items and rows representing the HEI's individually published financial statement line items.

The HEI must record the individually published financial statement line items on the applicable tabs. Amounts must be reported in the applicable columns. The row line items and totals should agree to the amounts that will be reported on the individually published financial statements that are due to APA and DOA in October as required by Attachment HE-13, Report of Financial Condition. The column totals should agree to the FST or Combining FST line items (see Note A). The HEI must ensure the individually published financial statement line item titles as compared to the FST or Combining FST line item titles are reasonable and consistent.

Note A: The HEI column totals should agree to the HEI Total Year-End June 30, 2008 column on the FST tab. The four new HEI tabs will display an "ERROR" message if the column totals do not agree to the FST. In addition, check figures and variance check figures have been added. The foundation column totals should agree to either the Subtotals (Prior to Elimination Entries) or the Foundation(s) Year-End Totals reported on the Combining FST tab. If the HEI does not include the elimination entries that are reported on the Combining FST in their individually published financial statements, then the column totals should agree to the Subtotals (Prior to Elimination Entries) amounts. The four new foundation tabs will not display an "ERROR" message if column totals do not agree to the Combining FST because some HEIs exclude and some HEIs include the elimination entries in the individually published financial statements. Informational totals have been provided to show the subtotal and year-end totals reported on the Combining FST. The column totals on the foundation reconciliation tabs should agree to one of these two amounts.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Summary of Attachment Changes, *continued*

Other changes Below is a listing of some of the other changes:

- **All tabs – variance check figures added:** Variance check figures have been added on all tabs that have cells that show an error message if information is keyed incorrectly. These amounts are displayed in red and they show variance amounts that should help to determine why there is an error message. For example, a variance check figure on TAB 2, Receivables, would show the difference between the Receivable, Net amount reported on the FST tab and the Receivable, Net amount reported on the TAB 2. Some check figures will show on the printed document; however, some check figures are seen on the screen but are not within the print area range and will be excluded from the printed document.
- **TAB 1A, GASBS 3 -** Additional rows have been added to Parts 5a to 6b for SNAP and LGIP information. **TAB F1, Cash, Cash Eqv & Inv –** Additional rows have been added to the “other” category in Part 2a.
- **TAB 1B, GASBS 31,** has been revised. The previous format for certain investments made it seem that amounts had to be reported at amortized cost. However, per GASBS No. 31, certain investments may be reported at amortized cost rather than fair value. The format has been revised to clarify the reporting options. Refer to GASBS No. 31 for guidance.
- **TAB 5, LT Liabilities:** Parts 1, 1a, and 5 have been revised to obtain information on the new liability line items.
- **TAB F5, LT Liabilities:** Parts 6 and 7 have been revised to obtain information on the new line liability line items.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Summary of Attachment Changes, *continued*

Other changes, *continued*

- **TAB 7, Miscellaneous:** The prior year's **Part 13**, regarding **GASBS No. 43**, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans* (OPEBs), has been revised to include **GASBS No. 45**, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, information.
- **TAB 7, Miscellaneous:** **Part 15** is **new** and has questions regarding **GASBS No. 48**, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*.
- **TAB 7, Miscellaneous:** **Parts 16, 17, and 18** are to obtain general information regarding the following: **GASBS No. 49**, *Accounting and Financial Reporting for Pollution Remediation Obligations* (effective FY 2009), **GASBS No. 51**, *Accounting and Financial Reporting for Intangible Assets* (effective FY 2010), and **GASBS No. 52**, *Land and Other Real Estate Held As Investments by Endowments* (effective FY 2009). **DOA does not want the HEI to early implement these statements.** These new parts were added to help DOA plan the future implementation of these statements.
- **TABS 9 and F10 - Calculation of Invested in Capital Assets, Net of Related Debt:** Investment earnings should not be included in the unspent proceeds on debt related to capital assets. A question has been added to verify that investment earnings were not included in the calculation.

Financial Statement Template (FST)

Checklist tab

The checklist tab should be read prior to completing the attachment. This tab is to help ensure completeness and propriety of information provided.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Financial Statement Template (FST), *continued*

**New GASB
statements -
GASBS No. 45
&
GASBS No. 48**

GASBS No. 45 and GASBS No. 48 are effective for FY 2008. The new "Long-term Liabilities – Other Postemployment Benefits – Due in More Than One Year" FST line item was added because of the implementation of GASBS No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (OPEBs). Since most institutions have OPEBs offered by the Commonwealth of Virginia, it is anticipated that this line item will be used to report a DOA only entry related to the OPEB liability similar to how DOA currently reports a net pension obligation (NPO) as a DOA only entry. Below is a summary of OPEBs offered by the Commonwealth of Virginia:

- **Pre-Medicare Retiree Healthcare Program**–The Commonwealth provides a healthcare plan for retired state employees who are not yet eligible to participate in Medicare.
- **Retiree Health Insurance Credit Program**– The Commonwealth provides this benefit to retired state employees of a maximum of \$4/month per year of service credit towards their monthly health insurance premiums.
- **Line of Duty Death and Disability Program** – The Commonwealth provides death and health benefits to the beneficiaries of certain law enforcement and rescue personnel disabled or killed in the line of duty.
- **Group Life Insurance Benefits** – Eligible State employees who retire are entitled to post employment life insurance benefits.
- **Virginia Sickness and Disability Program** – The Commonwealth provides disability insurance benefits to eligible retired state employees.

Contact DOA if your institution has an OPEB liability required to be reported in accordance with GASBS No. 45 for an OPEB that is not offered by the Commonwealth of Virginia.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Financial Statement Template (FST), *continued*

**New GASB
statements -
GASBS No. 45
&
GASBS No. 48,
*continued***

GASBS No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, requires a transaction in which a government receives or is entitled to resources in exchange for future cash flows generated by collecting specific receivables or specific future revenues to be reported as a collateralized borrowing resulting in a liability rather than as a sale unless the specific criteria for reporting as a sale are met. Also, this statement requires governments to report transfers or donations of capital assets or financial assets within a financial reporting entity* at the carrying value at the time of transfer.

Refer to GASBS No. 45, GASBS No. 48, and the most recently issued Comprehensive Implementation Guides for guidance in accounting and reporting of these new statements. Information reported on the financial statement template for the HEI must include the proper accounting and reporting of activity/balances addressed in these new GASB statements, if applicable.

Note *: GASBS No. 48 includes guidance on how to report intra-entity transfers of assets and future revenues (including purchases / donations / transfers of capital assets) within the same **financial reporting entity**. Since HEIs are part of the Commonwealth's financial reporting entity, the definition of "intra-entity" for purposes of implementing GASBS No. 48 is not only the HEI and its foundations but also other entities reported in the Commonwealth's Comprehensive Annual Financial Report (CAFR). For a listing of the Commonwealth's intra-entities, go to DOA's website and click on the "Financial Statement Directives" link.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Financial Statement Template (FST), *continued*

FST columns

The HEI must enter amounts in the column titled “**HEI Total Year-End June 30, 2008.**” As noted on page 1, HEI is defined as the higher education institution and any blended component units. **Footnote/informational TABS 1A, 1B, and 2 to 9*** must be completed for amounts reported in this column. As previously discussed, the new HEI reconciliation tabs must also be completed for amounts reported in this column.

The column “**Foundation(s) Year-End Totals**” is linked to the “Foundation(s) Year-End Totals” column on the Combining FST tab.

The column “**Elimination Entries**” is linked to the “Elimination Entries to FST – Combined Total” column on the Elimination Entries to FST tab.

The “**Combined Total**” column sums the three columns and will be the amounts reported in the CAFR with some exceptions. DOA will make certain adjustments to these amounts; therefore, amounts in this column do not always equal the amounts reported in the CAFR.

Fluctuation Analysis - For prior year amounts to appear, the HEI must first select the HEI's acronym from the drop-down list. Once selected, the prior year amounts will appear and the #N/As will disappear. The fluctuation analysis is comparing the current year's HEI and Foundation amounts with the prior year amounts reported to DOA on the FY 2007 Attachment HE-10, FST. Some amounts have been adjusted by DOA and those adjustments will be provided to the HEIs. The fluctuation analysis was previously discussed in the section titled **Fluctuation analysis – scopes & 2 new tabs**.

Note*: If applicable, TAB F8, Part 2 must be completed for significant intrafund activity/balance amounts reported in this column that cannot be eliminated because a foundation reported on the Combining FST has a different year-end.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Financial Statement Template (FST), *continued*

Elimination entries

The line items listed below may be used to record significant balance/activity amounts among the HEI and the foundation(s) that must be eliminated. They may also be used for significant balance/activity amounts among the foundations that must be eliminated.

- Due from Foundation(s)
- Due to Foundation(s)
- Due from Higher Education Institution
- Due to Higher Education Institution
- Payments/Support from Foundation(s)
- Payments/Support to Foundation(s)
- Payments/Support from the Higher Education Institution
- Payments/Support to the Higher Education Institution

Any significant intrafund balance/activity amounts recorded on other line items must also be eliminated.

Elimination Entries to FST tab: All significant elimination entries for intrafund balance/activity amounts among the HEI and the foundation(s) must be recorded on the “Elimination Entries to FST” tab. This tab has a column for elimination entries to the HEI amounts and another column for the elimination entries to the Foundation amounts. After entering all elimination entries, ensure there are no “ERROR” messages on this tab or the FST tab. The “Elimination Entries “column on the FST is linked to the “**Elimination Entries to FST – Combined Total**” column in this Elimination Entries to FST tab.

Combining FST tab: All significant elimination entries for intrafund balance/activity amounts among the foundations reported on the Combining FST tab must be reported in the Elimination Entries column on the Combining FST tab.

Any significant intrafund balance/activity amounts not eliminated because the foundation(s) has a differing year-end (i.e. December 31st) must be reported on TAB F8, Intrafund.

Note: While there is no set definition for significance, the HEI should consider the impact the activity would have on a CAFR user. If the activity would lead a CAFR user to reach an incorrect understanding of the HEI's activity, then it should be eliminated. In instances requiring elimination, it is possible that the amounts reported by the HEI and foundations may not agree exactly. The HEI should use professional judgment to reclassify any residual balances to another line item, as appropriate.

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Combining Financial Statement Template

Columns

The **Combining Financial Statement Template (Combining FST)** is a tab to record foundation financial information. Most HEIs have at least one **foundation**. As stated on page 1, a foundation is defined for this attachment as a discrete component unit of the HEI as required by GASBS No. 39. The Combining FST has up to eight columns that can be used to record foundation amounts. A separate column must be used for each foundation. Record the foundation name, year-end date, and amounts. **Footnote TABS F1 to F10** must be completed for each foundation. The foundation name and year-end date on the footnote/informational tabs are linked to the Combining FST.

The HEI must key amounts in the column titled “**Elimination Entries**” to eliminate significant intrafund balance/activity amounts among the foundations that are reported on the Combining FST. Generally, the elimination entries should not affect the ending net asset balances. Of course, this column does not apply to those HEIs with only one foundation.

The Foundation(s) Year-End Totals column on the FST is linked to the “**Foundation(s) Year-End Totals**” column.

Calendar year-end

If a foundation has a December 31st rather than a June 30th year-end, the HEI must report the foundation's amounts as of December 31, 2007.

Line items

The line items on the Combining FST mirror the FST except for those that only apply to the HEI. (For example, Appropriations Available, State Appropriation Revenue, etc.)

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

GASBS No. 3 & GASBS No. 31 Footnote Information for HEI (TABS 1A, 1B)

Purpose TAB 1A is used to obtain information regarding cash, cash equivalents and investments. TAB 1B is to obtain GASBS No. 31 information.

Definitions For purposes of this Directive, the following definitions apply:

Cash – the standard medium of exchange (paper currency) that must be readily available for the payment of current obligations, and it must be free from any contractual restriction that limits its use in satisfying debts.

Cash Equivalents – instruments or investments of such high liquidity (original maturity of 90 days or less) and low risk that they are virtually as good as cash. Examples are a nonnegotiable certificate of deposit, money market fund, Treasury bill, and monies in the State Non-Arbitrage Program (SNAP) fund*, and the Local Government Investment Pool. Whether an asset is a cash equivalent is determined only once based on the length of the original maturity when the asset is first acquired.

Investments – securities and other assets acquired primarily for the purpose of obtaining income or profit with an original maturity greater than 90 days. This includes securities, which are transferable financial instruments that evidence ownership or creditorship.

Security – generally, an instrument evidencing debt of or equity in a common enterprise in which a person invests on the expectation of financial gain. The term includes notes, stocks, bonds, debentures or other forms of negotiable and nonnegotiable evidences of indebtedness or ownership.

Note*: SNAP Individual Portfolios may include cash equivalents and/or investments depending on what makes up the portfolio. This is why there is a Restricted SNAP Individual Portfolio – cash equivalent and a Restricted SNAP Individual Portfolio – investment line item.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

GASBS No. 3 and GASBS No. 31 Footnote Information for HEI (TABS 1A, 1B), continued

**Completing
TAB 1A**

Follow the procedures below:

Part No.	Guideline
1	Report the institution's CARS GLA 101 balance by fund, excluding fund 0100. This amount should agree to the applicable Cash held with Treasurer of VA line items on the Statement of Net Assets. If the total amount reported does not equal CARS GLA 101, excluding Fund 0100, submit a reconciliation by fund with the attachment.
2	<p>Amounts for the following line items are linked to the FST.</p> <p style="text-align:center">Cash not held with Treasurer of Virginia Restricted Cash not held with Treasurer of Virginia</p> <p>The total of these amounts must be recorded on Attachment HE-12-detail tab – Part 1a. Attachment HE-12 requires additional footnote information on these line items.</p>
3	<p>The amounts for the following line items are linked to the FST.</p> <ul style="list-style-type: none">• Restricted SNAP Individual Portfolio– Cash Equivalents• Restricted SNAP Individual Portfolio - Investments• Cash Equivalents & Restricted Cash Equivalents not held with Treasurer of Virginia• Investments & Restricted Investments not held with Treasurer of Virginia <p>The total of these amounts must be recorded on Attachment HE-12-detail tab – Part 3. Attachment HE-12 requires additional footnote information on these line items.</p>

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

GASBS No. 3 and GASBS No. 31 Footnote Information for HEI (TABS 1A, 1B), *continued*

**Completing
TAB 1A**

Follow the procedures below:

Part No.	Guideline
4a & b 4c & d	<p>Provide descriptions and amounts for the following amounts held with the Treasurer of VA:</p> <ul style="list-style-type: none">• Cash Equivalents held with Treasurer of VA (excludes SNAP & LGIP)• Restricted Cash Equivalents held with Treasurer of VA (excludes SNAP & LGIP):• Investments held with Treasurer of VA (excludes SNAP)• Restricted Investments held with Treasurer of VA (excludes SNAP):
5a & b	For any Local Government Investment Pool (LGIP) and / or Restricted Local Government Investment Pool amounts, provide the LGIP account # and amounts.
6a	For any Restricted State Non-Arbitrage (SNAP) Fund amount, provide the SNAP account # and amounts.
6b	For any amounts reported on the two Restricted SNAP Individual Portfolio line items, provide the SNAP account # and amounts.

**Completing
TAB 1B**

Complete this for all cash equivalents and investments reported on the financial statement template. As previously noted, this tab has a new format.

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Additional Footnote Information for HEI (TABS 2 through 9)

**TAB 2,
Receivables**

Part 1) Provide the following footnote information:

- Gross amounts by category
- Description and gross amounts for "Other Receivables" category
- Allowance for doubtful accounts
- Net receivables expected to be collected in greater than one year.

Part 2) Provide the footnote information for elimination entries to the HEI amount reported on the Elimination Entries to FST tab.

"ERROR" messages will appear if the amounts do not agree to the amounts reported on the applicable FST and/or Elimination Entries to FST tabs. Check figures are in red and should help determine why an "ERROR" message appears.

**TAB 3, Capital
Assets**

Provide the following footnote information for the HEI:

Part 1) Schedule of Changes in Capital Assets

Part 1a) Comparison of Beginning Balances to Prior Year's Ending Balances: This compares the prior year's ending balances to the current year's beginning balances and calculates differences. After selecting the institution's acronym, prior year's ending balances will appear and the #N/As will disappear. The amounts in the Balance July 1, 2007 column are linked to Part 1. The HEI must explain the differences.

Part 2) Capital Asset Capitalization Policy

Part 3) Works of Art/Historical Treasures

Parts 4.1 to 4.3) GASBS No. 42, Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries: See section titled "TAB 3, Capital Assets: Parts 4.1 to 4.3 for GASBS No. 42" for additional information.

Part 5) This is for **elimination entries** reported on the Elimination Entries to FST tab on the HEI's capital asset line items.

"ERROR" messages will appear if the amounts do not agree to the amounts reported on the applicable FST and/or Elimination Entries to FST tabs. Check figures are in red and should help determine why an "ERROR" message appears.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Additional Footnote Information for HEI (TABS 2 through 9), *continued*

**TAB 5, LT
Liabilities**

This tab provides the following footnote information:

Part 1) Schedule of Changes in Long-Term Liabilities

Part 1a) Comparison of Beginning Balances to Prior Year Ending Balances:
This compares the prior year's ending balances to the current year's beginning balances and calculates differences. After selecting the institution's acronym, the prior year's ending balances will appear and the #N/As will disappear. The amounts in the Balance July 1, 2007 column are linked to Part 1. The HEI must explain the differences.

Part 2) Schedule of Installment Purchase Obligations

Part 3) Schedule of Future Capital Lease Payments & Related Capital Asset Balances

Part 4) Bonds Payable (Institutional Debt)

Parts 5 to 8) These are for **elimination entries** reported on the Elimination Entries to FST tab on the HEI's long-term liability line items.

"ERROR" messages will appear if the amounts do not agree to the amounts reported on the applicable FST and/or Elimination Entries to FST tabs. Check figures are in red and should help determine why an "ERROR" message appears.

**TAB 6,
Commitments**

This tab provides the following footnote information for the HEI:

Parts 1 and 3) Operating Leases

Parts 2 and 4) Other Commitments

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Additional Footnote Information for HEI (TABS 2 through 9), *continued*

**TAB 7,
Miscellaneous**

This tab provides the following footnote information for the HEI. **Part 13 has been revised and Parts 15, 16, 17, and 18 are new.**

Part 1) Inventory
Part 2) Restricted Cash and Cash Equivalents/Restricted Investments/Other Restricted Assets
Part 3) Unearned Revenue
Part 4) GASBS No. 20
Part 5) GASBS No. 33
Part 6) GASBS No. 38
Part 7) Contingent Liabilities
Part 8) Subsequent Events
Part 9) Flow Assumption for Restricted Resources
Part 10) Donor-Restricted Endowments
Part 11a & b) Other Liabilities & Accounts Payable – Other*
Parts 12a & b) Other Assets & Other Restricted Assets*
Part 13) GASBS No. 43, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans* (OPEBs), & GASBS No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*
Part 14) GASBS No. 47, *Accounting for Termination Benefits*
Part 15) GASBS No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*
Parts 16, 17, 18) Future Implementation of GASBS No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations* (effective FY 2009), GASBS No. 51, *Accounting and Financial Reporting of Intangible Assets* (effective FY 2010), and GASBS No. 52, *Land and Other Real Estate Held As Investments by Endowments* (effective FY 2009). **DOA does not want the HEI to early implement these statements.** These new parts were added to help DOA plan the future implementation of these statements.

Note *: “ERROR” messages will appear if certain amounts do not agree to the amounts reported on the FST tab. Check figures are in red and should help to determine why an “ERROR” message appears.

TAB 8, Short-term Debt

This tab is to provide the detail for short-term debt activity during the year with a party **external** to the Commonwealth. This is a footnote disclosure required by GASBS No. 38.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Additional Footnote Information for HEI (TABS 2 through 9), *continued*

**TAB 9, Inv in
Cap Assets**

This tab is to document the calculation of the invested in capital assets, net of related debt amount. This is a net asset line item and is calculated as follows: Total capital assets less debt related to capital assets plus unspent debt proceeds plus unamortized bond issuance expenses. Below is a simple example of how to calculate this amount using the following information: total capital assets of \$10,000,000; bonds payable related to the construction of a building that total \$5,000,000, unspent bond proceeds reported as restricted cash related to this debt of \$2,000,000; and unamortized bond issuance expense of \$20,000.

Total Capital Assets (linked)	\$10,000,000	
Less: Bonds Payable (linked)	-5,000,000	*
Add: Unspent Bond Proceeds (excluding investment earnings)	2,000,000	*
Add: Unamortized Bond Issuance Expense	<u>20,000</u>	
Invested in Capital Assets, Net of Related Debt	<u>\$7,020,000</u>	

Note*: The difference between the bonds payable and the unspent bond proceeds of \$3,000,000 should represent the bond proceeds that have already been spent and included in the total capital asset amount as construction in progress.

The total capital asset and the debt amounts are linked to the FST. Since the total debt amounts are linked to the FST and will show as a negative amount, any of the debt amounts that are not related to capital assets must be recorded as a positive amount to exclude from the calculation. Unspent bond proceeds and unamortized bond issuance expense** on debt related to capital assets must be included in the calculation as positive amount. Short-term debt (i.e. lines of credit)** is not linked to the FST; therefore, any Short-term Debt (i.e. lines of credit) related to capital assets must be included in the calculation as a negative amount.

Some HEIs have eliminations entries that affect capital asset and/or debt line items. If the HEI has elimination entries that affect these line items, the second column is to document the calculation of the invested in capital assets, net of related debt based on the elimination entries.

Note **: This tab includes informational totals that show what amounts are reported on the FST and/or Elimination Entries to FST tabs for unamortized bond issuance expense and short-term debt (lines of credit) line items.

For additional guidance on this calculation, see GASBS No. 34 and the Comprehensive Implementation Guides.

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

TAB 3, Capital Assets: Parts 4.1 to 4.3 for GASBS No. 42

Purpose

The purpose of GASBS No. 42 is to provide reporting guidance for the following: impairment of capital assets, and all insurance recoveries (not just recoveries for impaired capital assets).

Overview of Requirements

Financial Statement Template Reporting:

- **Recognize Impairment Loss: Capital assets permanently impaired during fiscal year 2008:** The capital asset must be written down by the impairment loss amount. Any insurance recoveries recognized during the year for the impaired capital asset must be netted with the impairment loss. These losses should be reported as program expense-loss on sale/disposal/impairment of capital assets, special item, or extraordinary item
- **Insurance Recoveries:** For any insurance recoveries that are for prior year capital asset impairments and/ or all other reasons (i.e. theft, embezzlement of cash, etc.), report these recoveries as program revenue-operating grants & contributions, program revenue – capital grants & contributions, or an extraordinary item.

Footnote Disclosures:

- **Impairment Losses:** The footnotes must include a general description, the amount and the financial statement template line item.
- **Idle Permanently and/or Temporarily Impaired Capital Assets:** The carrying amount of temporarily and/or permanently impaired capital assets that are idle as of year-end must be disclosed.
- **All Insurance Recoveries:** The footnotes must include the amount and financial statement template line item for **all** insurance recoveries (not just for impaired capital assets).

Other Considerations:

- For any capital assets that do not meet the impairment test, the remaining useful life and salvage value may need to be reevaluated and changed on a prospective basis.

Refer to GASBS No. 42 and the Comprehensive Implementation Guide – Guides Issued through June 30, 2007 for additional guidance. Also, see the next section titled **TAB 3, Capital Assets: Parts 4.1 to 4.3 for GASBS No. 42 – Examples**.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

TAB 3, Capital Assets: Parts 4.1 to 4.3 for GASBS No. 42, *continued*

Instructions:
Part 4.1

This part is to identify potential impairments as follows:

- A) **Possible Impairment of Capital Assets:** As of June 30, 2008, did the institution have an event* or change in circumstances* that may indicate an impairment of a capital asset as described in GASBS No. 42? If yes, provide a description, month/year it took place, the possible impaired capital assets, and then go to B. If no, go to Part 4.3.

Note*: This must be a prominent event or circumstance that is conspicuous or known to the institution. It is expected to have been discussed by the board, management, or media. Common indicators of impairment include the following:

- Physical damage (i.e. fire, flood)
- Enactment or approval of laws/regulations or other changes in environmental factors
- Technological development or evidence of obsolescence
- Change in the manner or expected duration of a capital asset
- Construction stoppages (i.e. lack of funding)

- B) **Impairment Test:** If yes to A, is the decline in service utility of the capital asset significant **and** unexpected? If yes, go to C. If no, go to 4.3.

Note: If this test indicates an impairment has not occurred, the estimated useful life and salvage value may need to be reevaluated and changed. This should be accounted for on a prospective basis.

- C) **Permanent Impairment:** If yes to A and B, is the impairment considered permanent? If yes, go to D. If no, go to 4.2.

Note: Generally, an impairment should be considered permanent; however, in some cases it may be considered temporary. If it is considered temporary, the capital asset should not be written down. See GASBS No. 42 for additional guidance.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

TAB 3, Capital Assets: Parts 4.1 to 4.3 for GASBS No. 42, *continued*

Instructions:
Part 4.1,
continued

D) Financial Statement Template Reporting & Footnote Disclosure: If yes to A, B, and C, has the impairment loss and related insurance recoveries (if applicable) been properly reported on the FST in accordance with GASBS No. 42? If **no**, provide an explanation. If **yes**, provide the following: impairment loss, insurance recoveries recognized in fiscal year 2008 included in the net impairment gain/(loss) calculation, and the FST line item that the net gain/(loss) on the impairment is reported on.

Notes: For **impaired capital assets that will continue to be used by the institution**, the impairment loss that should be written off should be measured by one of the following methods: restoration cost approach, service units approach, or deflated depreciation replacement cost approach. For **impaired capital assets that will no longer be used by the institution or capital assets impaired from construction stoppage**, they should be reported at the lower of carrying value or fair value.

Loss on capital assets that became permanently impaired during fiscal year 2008 must be reported on the financial statement template as program expenses—loss on sale/disposal/impairment of capital assets, extraordinary item, or special item. Use professional judgment to determine the appropriate FST line item.

Also, per GASBS No. 42 paragraph 21, if insurance recoveries are received in the same year as the impairment loss, the impairment loss should be reported net of the associated insurance recovery. Also, per GASBS No. 42 paragraph 17 - footnote 6, this guidance also applies to insured impairments that result in an accounting gain.

**Part 4.2, Idle
Capital Assets –
Temporarily or
Permanently
Impaired**

Any permanently and/or temporarily impaired capital assets that are idle as of year-end must be disclosed. Provide the carrying amount of any permanently and/or temporarily impaired capital assets as of year-end.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

TAB 3, Capital Assets: Parts 4.1 to 4.3 for GASBS No. 42, *continued*

**Part 4.3, Other
Insurance
Recoveries**

For any insurance recoveries that are not reported in Part 4.1 D, provide the amount and financial statement template line item. Also, provide a description.

Note: This includes current year insurance recoveries for capital assets impaired in prior years. It also includes all other insurance recoveries. (i.e. recoveries for embezzlement of cash, theft). Insurance recoveries should be reported on the financial statement template as program revenue-operating grants & contributions, program revenue-capital grants & contributions, and / or extraordinary item. Use professional judgment to determine the appropriate FST line item.

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

TAB 3, Capital Assets: Parts 4.1 to 4.3 for GASBS No. 42 – Examples

The examples below are for a building that was impaired because of a fire. The following examples do not include restoration or replacement costs which should be reported as a separate transaction from the impairment loss and associated insurance recovery.

	Impairment loss (prior year)	Impairment loss (current year)	Insurance Recovery (current year)	Net Gain/(Loss) on impairment (current year)
Example 1		(200,000)	150,000	(50,000)
Example 2		(200,000)	250,000	50,000
Example 3		(200,000)	0	(200,000)
Example 4	(200,000)	0	150,000	

Below are example FST entries for the current year from the above examples

Example 1:

Cash	150,000	
Extraordinary item (net loss) (see Note A)	50,000	
Accumulated depreciation-buildings		200,000

Example 2:

Cash	250,000	
Extraordinary item (net gain) (see Note B)		50,000
Accumulated depreciation-buildings		200,000

Example 3:

Extraordinary item (see Note A)	200,000	
Accumulated depreciation-buildings		200,000

Example 4:

Cash	150,000	
Extraordinary item (Note C)		150,000

Note: For example 4, since the insurance recovery was not recognized in the same year as the impairment loss, the insurance recovery is not netted with the impairment loss for the current year. Also, the \$200,000 impairment loss should have been recorded in the prior year.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

TAB 3, Capital Assets: Parts 4.1 to 4.3 for GASBS No. 42 – Examples,
continued

Note A: Depending on the circumstances of the impairment, the other FST line items that this loss could be reported on are as follows:

- Expenses-Loss on Sale/Disposal/Impairment of Capital Assets
- Special Item

Note B: Depending on the circumstances of the impairment, the other FST line items that this gain could be reported on are as follows:

- Gain on Sale/Disposal/Impairment of Capital Assets
- Special Item

Note C: Depending on the circumstances of the impairment, the other FST line items that this insurance recovery could be reported on are as follows:

- Program Revenue-Operating Grants & Contributions
- Program Revenue-Capital Grants & Contributions

As a reminder, per GASBS No. 34 the definitions of extraordinary items and special items are as follows.

- Extraordinary item: Transactions or events that are **both** unusual in nature and infrequent in occurrence.
- Special item: Transactions or other events **within the control of management** that are either unusual in nature **or** infrequent in occurrence.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

TAB 3, Capital Assets: Parts 4.1 to 4.3 for GASBS No. 42 – Examples,
continued

The following provides guidance on how to report the example entries on the TAB 3:

Example 1: Record on TAB 3 Part 4.1 D as follows:

Financial Statement Template line item:	Impairment loss \$ (record as a negative)	Insurance Recovery \$ included in the net impairment gain/(loss) calculation (record as a positive)	Net Gain/(loss) on Impairment
Expenses-Loss on Sale/Disposal/Impairment of Capital Assets			
Special Item			
Extraordinary Item	-200,000	150,000	-50,000
Gain on Sale/Disposal/Impairment of Capital Assets			

Example 2: Record on TAB 3 Part 4.1 D as follows:

Financial Statement Template line item:	Impairment loss \$ (record as a negative)	Insurance Recovery \$ included in the net impairment gain/(loss) calculation (record as a positive)	Net Gain/(loss) on Impairment
Expenses-Loss on Sale/Disposal/Impairment of Capital Assets			
Special Item			
Extraordinary Item	-200,000	250,000	50,000
Gain on Sale/Disposal/Impairment of Capital Assets			

Example 3: Record on TAB 3 Part 4.1D as follows:

Financial Statement Template line item:	Impairment loss \$ (record as a negative)	Insurance Recovery \$ included in the net impairment gain/(loss) calculation (record as a positive)	Net Gain/(loss) on Impairment
Expenses-Loss on Sale/Disposal/Impairment of Capital Assets			
Special Item			
Extraordinary Item	-200,000		-200,000
Gain on Sale/Disposal/Impairment of Capital Assets			

Example 4: Record on TAB 3 Part 4.3*

Financial Statement Template line item	Other Insurance Recoveries \$
Program Revenue - Operating Grants and Contributions	
Program Revenue - Capital Grants and Contributions	
Extraordinary Item	150,000

Note*: Since the impairment took place in the prior year and the insurance recovery took place in the current year, no amount would be reported on the TAB 3 Part 4.1D and only the insurance recovery would be reported on the TAB 3 Part 4.3.

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Footnote Information for Foundation(s) (TABS F1 through F10)

Background

The foundation footnotes differ from HEI footnotes because foundation(s) follow FASB rather than GASB. HEIs are **not** expected to convert foundation FASB footnotes into GASB footnotes; however, there will be some additional information needed from foundations in order to report information in the CAFR. TABS F1 through F10 are to gather selected foundation footnote/other information for the CAFR.

TAB F1

Tab F1, Cash, Cash Eqv, and Inv, include the following for the foundations:

- Part 1) Answer questions regarding cash and cash equivalents (including restricted cash and cash equivalents).
- Part 2a) Record the fair value of investments (including restricted investments). There are two columns to record footnote elimination entries to foundation investment and restricted investment amounts reported on the Combining FST and/or the Elimination Entries to FST. Also, there is a total after all elimination entries. "ERROR" messages will appear if totals do not agree to the appropriate tabs. Check figures are in red and should help determine why an "ERROR" message appears.
- Part 2b) State whether any amounts reported in Part 2a are reported at cost rather than fair value.
- Part 3a) State whether the foundation has any investments in LGIP. If yes, complete TAB F2, SNAP & LGIP.
- Part 3b) State whether the foundation has any investments in SNAP. If yes, complete TAB F2, SNAP & LGIP.

Continued on next page

**Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template**

Footnote Information for Foundation(s) (TABS F1 through F10), *continued*

TAB F2

TAB F2, SNAP & LGIP: If the foundation has any investments in the State Non-Arbitrage Program (SNAP) or the Local Government Investment Pool (LGIP) during the year or at year-end, provide the account numbers and year-end balances. The Combining FST line item for these amounts must be provided. A drop-down list is provided with the following line items:

Part 1) LGIP amounts:	Cash & Cash Equivalents Restricted Cash & Cash Equivalents
Part 2) SNAP amounts:	Restricted Cash & Cash Equivalents Restricted Investments

The SNAP amounts should be reported on the "Restricted" line items because balances represent unspent bond proceeds. Judgment must be used to determine if any LGIP amounts should be reported on the "Restricted" line items. (See Checklist tab item 9 for further guidance.)

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Footnote Information for Foundation(s) (TABS F1 through F10), *continued*

TAB F3

TAB F3, Receivables, include the following for the foundations:

Part 1) **Receivables, Net** must have the following disclosures: gross amounts by category (including a description for the “other” category), allowance for doubtful accounts, net amount expected to be collected in greater than one year. The HEI may need to require this additional information from the foundation if the foundation’s Statement of Financial Position and /or footnotes do not clearly indicate the type of receivable, gross and allowance amounts, and the net amount expected to be collected in greater than one year.

There are two columns to record footnote elimination entries to foundation receivable amounts reported on the Combining FST and/or Elimination Entries to FST.

Part 2) **Contributions Receivable, Net** must have the following disclosures: amount due in less than one year, amount due between one and five years, amount due in more than five years, present value discount, allowance for uncollectible contributions, and discount rate used to determine present value.

There are two columns to record footnote elimination entries to foundation contribution receivable amounts reported on the Combining FST and/or the Elimination Entries to FST. Also, there is a total after all elimination entries.

“ERROR” messages will appear if certain amounts do not agree to the amounts reported on the Combining FST and/or Elimination Entries to FST tabs. Check figures are in red and should help determine why an “ERROR” message appears.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Footnote Information for Foundation(s) (TABS F1 through F10), *continued*

TAB F4

TAB F4, Capital Assets, include the following for the foundations:

Provide year-end capital asset amounts by category, gross amounts, and accumulated depreciation amounts. There are two columns to record footnote elimination entries to foundation capital asset amounts reported on the Combining FST and/or the Elimination Entries to FST. Also, there is a total after all elimination entries.

“ERROR” messages will appear if certain amounts do not agree to the amounts reported on the Combining FST and/or Elimination Entries to FST tabs. Check figures are in red and should help determine why an “ERROR” message appears.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Footnote Information for Foundation(s) (TABS F1 through F10), *continued*

TAB F5 & F5.1 **TAB F5 and F5.1, LT Liabilities:** The TAB F5 has four parts to obtain descriptions, payees, and outstanding balances of the following for the foundations:

- Part 1) Notes Payable
- Part 2) Bonds Payable
- Part 3) Capital Lease Obligations
- Part 4) Installment Purchase Obligations

In addition, TAB F5 has the following three parts to obtain descriptions and outstanding balances of the following for the foundations:

- Part 5) Long-term Liabilities – Other
- Part 6) Long-term Liabilities – Other Postemployment Benefits (OPEBs)
- Part 7) Claims Payable

TAB F5.1 has four parts to obtain future payments on the amounts reported on the TAB F5 Parts 1 to 4. The future payments are for the next five years and then a total for all years thereafter. Capital asset balances must be provided for any capital assets purchased with the capital leases. There are two columns to record footnote elimination entries to the applicable foundation line items reported on the Combining FST and/or the Elimination Entries to FST. Also, there is a total after all elimination entries.

“ERROR” messages will appear if certain amounts do not agree to the amounts reported on the applicable tabs. Check figures have been added in red to help determine why an “ERROR” message appears.

TAB F6 **TAB F6, Commitments,** include the following:

- Part 1) Provide information on operating lease agreements.
- Part 2) Provide information on any other commitments reported by the foundation as of year-end.

Continued on next page

**Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template**

Footnote Information for Foundation(s) (TABS F1 through F10), *continued*

TAB F7

TAB F7, Miscellaneous, include questions in the following categories:

- | | |
|----------------|---|
| Part 1) | General |
| Part 2) | Restricted Cash and Cash Equivalents, Restricted Investments, Other Restricted Assets |
| Part 3) | Split-Interest Agreements |
| Part 4) | Contingent Liabilities |
| Part 5) | Subsequent Events |
| Part 6) | Significant Intrafund Balance/Activity Amounts not Eliminated because of Different Year-End Dates |
| Parts 7a & 7b) | Other Assets & Other Restricted Assets* |
| Part 8) | Other Liabilities* |

Note *: “ERROR” messages will appear if certain amounts do not agree to the amounts reported on the applicable tabs. Check figures have been added in red to help determine why an “ERROR” message appears.

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Footnote Information for Foundation(s) (TABS F1 through F10), *continued*

TAB F8

TAB F8, Intrafund: This must be completed if **both** of the following conditions are met.

1. The foundation has a December 31st year-end.
2. The HEI and the foundation(s) have significant intrafund balance/activity amounts reported on the FST that have not been eliminated because of different fiscal years **or** the foundations reported on the Combining FST have significant intrafund balance/activity amounts reported on the Combining FST that have not been eliminated because of different fiscal years.

If both conditions are met, provide the FST line items and amounts that were not eliminated. Part 1 is to report foundation amounts that cannot be eliminated and Part 2 is to report the HEI amounts that cannot be eliminated.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Footnote Information for Foundation(s) (TABS F1 through F10), *continued*

TAB F8,
continued

Additional Information: Approximately three institutions have one or more foundations with a calendar year-end. This makes the elimination entries a little more complicated. Any significant intrafund activity/balances that are not eliminated because of different year-ends, must be disclosed on TAB F8. Below is an example of how activity/balances should be reported on the Attachment HE-10 for FY 2008:

Significant intrafund balances reported on the Statement of Net Assets

HEI / Foundation	As of 12/31/2007	As of 6/30/2008
Foundation (calendar year-end)	Disclose on TAB F8 – Part 1	n/a
HEI (fiscal year-end)	n/a	Disclose on TAB F8 – Part 2

Significant intrafund activity reported on the Statement of Activities

HEI / Foundation	1/1/2007 to 6/30/2007	7/1/2007 to 12/31/2007	1/1/2008 to 6/30/2008
Foundation (calendar year-end)	Disclose on TAB F8 – Part 1	Record on Elimination Entries to FST tab (Foundation column)	n/a
HEI (fiscal year-end)	n/a	Record on Elimination Entries to FST tab (HEI column)	Disclose on TAB F8 – Part 2

In addition, if there is significant intrafund balance/activity amounts among the foundations reported on the Combining FST that are not eliminated because of differing year-ends, that information must also be provided on the TAB F8.

TAB F9

TAB F9, Short-term Debt, complete the following parts:

Part 1) Short-term Debt line item

Part 2) Long-Term Liabilities – Bond Anticipation Notes Payable line items

“ERROR” messages will appear if certain amounts do not agree to the amounts reported on the applicable tabs. Check figures are in red and should help determine why an “ERROR” message appears.

Continued on next page

Comptroller's Directive 2-08
Attachment HE-10
Financial Statement Template

Footnote Information for Foundation(s) (TABS F1 through F10), *continued*

TAB F10	This tab is to document the calculation of the invested in capital assets, net of related debt. This line item is calculated as follows: Total capital assets less debt related to capital assets plus unspent debt proceeds plus unamortized bond issuance expenses. This is similar to TAB 9 for the HEI. See instructions for TAB 9.
----------------	---

Checklist

Checklist tab	After amounts and information have been entered on all applicable tabs, the Checklist tab must be completed. This tab is to ensure completeness and propriety of amounts reported. This tab should be read prior to entering information into the attachment. It should be completed after all tabs except the Certification tab is completed.
----------------------	--

This Page Intentionally Left Blank